

Date: May 19, 2014

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Kevin Dick, Director - Office of Economic and Workforce Development
Subject: FY15 Agreement to Fund Downtown Durham, Inc. for City Economic Development Programs

Executive Summary

This item seeks City Council approval of the 2014-2015 agreement for downtown economic development and marketing services with Downtown Durham, Inc. (DDI) in an amount not to exceed \$160,048.00. This is the eighth year that the Office of Economic and Workforce Development has administered this contract.

Recommendation

The administration recommends that Council authorize the City Manager to execute the FY15 funding agreement with Downtown Durham, Inc. to operate economic development programs for the City in an amount not to exceed \$160,048.00.

Background

Office of Economic and Workforce Development's recommended FY15 budget includes an amount not to exceed \$160,048.00 for DDI's contract.

Issues and Analysis

DDI has proven to be a high-performing organization and a positive force to the growth of Downtown Durham. To date, for example, DDI has overseen and managed several projects and initiatives that helped secure the following outcomes:

- 50 new businesses locating in downtown (30 new retail businesses)
- 116 building permits issued for downtown construction
- Over 100 clients served
- 3 million square feet of office space at 91% occupancy
- Launched the Find Your Cool summer concert series at CCB Plaza
- Social media followers (Twitter and Facebook) exceed 12,000

For FY15, the DDI staff has collaborated with the OEWD staff to plan and implement downtown economic development, special events and marketing strategies. The City and DDI have agreed on goals for Fiscal Year 2015 which are contained in Attachment 2 to the contract.

Alternatives

Council may choose to not fund the contract, or to fund the contract at a reduced amount. If DDI is not funded or not fully funded, economic and marketing services for downtown could not be delivered at the level that they have been provided in the past.

Financial Impact

Funding for this item has been built into the Office of Economic and Workforce Development's budget. Funding is provided through Downtown Revitalization in the proposed FY2014-15 annual budget.

SDBE Summary

An SDBE Summary is inapplicable because no project-specific goals have been set and no SDBEs are involved in this item.

Attachments

- FY 2015 Contract for Economic Development Programs+ within the Downtown Durham District between the City of Durham and Downtown Durham, Inc., containing 8 pages.
- Attachment 1 – Scope of Services for FY2015, containing 2 pages.
- Attachment 2 – Downtown Durham, Inc. Quarterly Deliverables Report Form FY 2015, containing 1 page.
- Attachment 3 – Insurance Requirements, containing 2 pages.